

Governor Fletcher's Presentation to Blue Ribbon Task Force on Merit System July 28, 2005

Good afternoon.

Let me first thank each of you for your willingness to serve. Each of you was chosen because I strongly believe you form a group that brings the experience and diversity to do the important work that is before you.

You represent current and former office holders, current members of the House and Senate, Democrats, Republicans, Independents, merit employees, veterans and minorities.

You are all aware of recent events surrounding the merit system and know the complexity of the issue I am asking you to tackle.

Before I charge you with the goals of this Blue Ribbon Commission, let me assure you that as I stated and shared with state employees during my campaign: I support the protection of merit employees.

I believed then and still believe that the overwhelming majority of state workers merit and non-merit is hard working, well intended and wants to do a good job.

Needless to say, I've learned a lot in the last 19 months.

Administrations come and go by the will of the people, who elect new leaders, and by the wisdom of limiting terms of governors.

We must remember the era of abuses when state employees were fired and hired at the will of each new administration.

Because of abuses, 45 years ago the current merit system was conceived and established in statute. Some changes have been made over the ensuing years. But the merit system as originally drafted remained largely intact.

Much has transpired since that time. The needs of state government and the people it serves have changed. The available workforce has changed. The merit law has not kept up.

For example, the 1964 civil rights act was passed after our current merit system was established.

Additionally, the recent problems were, to some extent, predicted by a study done by a previous administration.

In 1993, Governor Brereton Jones established a task force to study the current merit system.

The findings were striking. They determined that:

- Programs were not reflective of modern practices;
- There existed: confusion; compensation inequities in multiple systems;
- Statutes and regulations were confusing and rigid;
- The law was: obsolete and ineffective with inconsistent interpretation and enforcement;
- Rules and regulations were: elaborate, confusing, outdated, inappropriate impeding the ability of government to recruit, develop, engage and retain a competent and motivated work force; and
- Agency specific personnel systems have resulted in a fragmented state personnel system that is cumbersome, inefficient and inequitable

Twelve years passed, and nothing of substance was done with those poignant recommendations.

Now, let me give a very brief synopsis of my experience since taking this office regarding personnel.

Our first duty and quite challenging one was to establish a management team that shared my vision: a vision that the voters of Kentucky hardly endorsed.

Those management positions were the non-merit positions or political appointees.

The Republican Party had not been at the reigns of state government for decades and needed the expertise of those who had extensive executive branch experience. Thus, many of the previous appointees were left in their positions to facilitate continuity.

For example, the director of personnel in the Kentucky Transportation Cabinet was left in place initially to oversee that challenging task.

We also chose a veteran state employee of outstanding reputation to head my personnel office in the governor's office, Tommy Greenwell, a former director of personnel.

That was by design to give us the experience we needed and lacked.

I also chose to avoid merit employee firing as a means of meeting a very challenging budget deficit because of my concern and respect for those families who had provided service to our state.

I additionally elected not to place a patronage boss in each county, which was the standard practice of previous administrations.

Instead, I established, as promised, a network of constituents service individuals to take Frankfort to the people: to work with local and state elected officials and to help those who needed state assistance in any way.

They have done a remarkable job.

After a few months, it became clear that there was still a patronage system largely intact. My folks in the field received complaints that only those who had Democrat ties to those in the merit system had the opportunity to gain employment or get promoted.

I estimate that more than 90 percent of merit employees are Democrat in registration.

Why because people hire people they know and trust. Members of one party have run the state for decades, and they hired those they knew and trusted.

In fact, in 1974 when I applied for a job in Transportation, I was told that I needed to change my registration. I had forgotten that until my mother recently reminded me.

It was common knowledge and accepted.

It is also appears that there was a patronage system run out of the previous governor's office influencing who was and was not hired.

Not long into my administration, it became clear that even within the merit system there were hiring practices that did not reflect hiring based upon merit.

Republicans had little, if any, opportunity to gain employment within state government. They didn't know anyone in state government. They didn't know the system or even how to apply and qualify.

In response to that, we -- through our LINK organization -- helped all those who sought employment to better understand the system.

We also provided instruction on the merit system and how it worked.

From there, an ad hoc referral system apparently developed to address the pent-up demand of people who had been shut out for decades. In retrospect, the old patronage system being dismantled produced a vacuum that something had to fill.

If I had that to do over, I would have established what I've done now: Establish a centralized referral center within the Personnel Cabinet to ensure that the plethora of recommendations could be vetted and directed appropriately. That was a management mistake on my part.

But, in the absence of no centralized process, recommendations were made to the cabinet level and were to be handled in accordance with the merit law. Much of the advice to ensure compliance came from career employees who had worked with previous administrations. That experience gave my management an assurance that they were being compliant.

As I have acknowledged, mistakes were made. I do not believe that they were intentional illegal actions.

A level playing field was my desire and directive, something that Republicans had clearly not had in the past.

You know the rest of the story. It is a sad story because many good people are being hurt by enforcing -- in an unprecedented and vicious fashion -- a system that has been described as rigid, confusing, obsolete and ineffective.

In Monroe County, a largely Republican county, it was rare for a Republican to be hired in the highway garage. In fact, the first two people hired even under my administration were Democrats, according to local officials.

In Bath County, I'm told that, to this date, a Republican hasn't been hired and has never been hired in their memory. That may be an exaggeration, but it was told to me by the local officials there during a recent visit.

Additionally, we have a merit system where, clearly, hiring in the past was based on political affiliation -- unless of course you believe that Republicans are just not inherently qualified for state jobs.

Given this background, let me give you my charge for the work I would like this task force to do:

1. I want you to review the merit law, as it stands, to understand its complexity and breadth.
2. I want you to examine how it has been implemented in the past and the present.
3. I want you to review and address the 1993 Task Force report findings and recommendations.
4. I want you to make recommendations to me regarding any changes that are needed in the merit system law and implementation.

Some principles that I want you to consider as you do your work include developing a law and process that:

1. Gives the appropriate protection to our state workers from capricious and arbitrary hiring practices.
2. Will ensure that a democratically elected governor can advance his or her vision that the people of Kentucky endorsed through the election process.
3. Provides clear safe harbors and clearly defined procedures that ensure compliance meets the goals of protecting employees and protects those implementing the system from arbitrary civil and criminal actions.
4. Is efficient, practical and reflective of modern practices to ensure that state government can be run efficiently and effectively.
5. Fosters the recruitment, retention and development of a competent and motivated work force.

Let me close by again thanking you for serving on this task force. The work that you do will have a tremendous impact on how state government works in the future and how this state prospers.

I will now be glad to answer a few questions if you wish.